# AMENDED IN SENATE MAY 5, 2015 AMENDED IN SENATE APRIL 23, 2015 AMENDED IN SENATE APRIL 6, 2015

**SENATE BILL** 

No. 317

Introduced by Senator De León
(Principal coauthor: Senator Pavley)
(Coauthors: Senators Allen, Hertzberg, Hill, Hueso, Jackson,
Monning, and Wieckowski)

February 23, 2015

An act to add Chapter 14 (commencing with Section 5880) to Division 5 of the Public Resources Code, relating to financing a safe neighborhood parks, rivers, and coastal protection program, by providing the funds necessary therefor through an election for the issuance and sale of bonds of the State of California and for the handling and disposition of those funds, and declaring the urgency thereof, to take effect immediately.

#### LEGISLATIVE COUNSEL'S DIGEST

SB 317, as amended, De León. The Safe Neighborhood Parks, Rivers, and Coastal Protection Bond Act of 2016.

Under existing law, various measures have been approved by the voters to provide funds for park, river, and coastal protections and programs.

This bill would enact the Safe Neighborhood Parks, Rivers, and Coastal Protection Bond Act of 2016, which, if adopted by the voters at the November 8, 2016, statewide general election, would authorize the issuance of bonds in the total amount of \$2,450,000,000 pursuant

SB 317 -2-

to the State General Obligation Bond Law to finance a safe neighborhood parks, rivers, and coastal protection program.

This bill would declare that it is to take effect immediately as an urgency statute.

Vote:  $\frac{2}{3}$ . Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. The Legislature finds and declares as follows:

- (a) Californians value parks and the natural lands of the state.
- (b) Demand for local parks has exceeded available funding by a factor of eight to one, with particularly high demand in urban, disadvantaged communities.
- (c) Many Californians across the state lack access to safe parks and recreation areas, which limits their ability to experience the outdoors, improve their physical and emotional health, exercise, and connect with their communities. Investments to create and improve parks and recreation areas will help ensure all Californians have access to safe places to exercise and recreate.
- (d) Continued investment in the state's parks, natural resources, and in greening urban areas will mitigate the effects of climate change, making cities more livable, and protecting California's natural resources for future generations.
- (e) Investments to protect and restore the state's rivers, lakes, streams, and coastal waters and their related watersheds will improve water quality and reliability, enhance fish and wildlife habitats, and provide recreational, economic, and public health benefits to Californians.
- SEC. 2. Chapter 14 (commencing with Section 5880) is added to Division 5 of the Public Resources Code, to read:

Chapter 14. The Safe Neighborhood Parks, Rivers, and Coastal Protection Bond Act of 2016

# Article 1. Title

5880. This chapter shall be known, and may be cited, as the Safe Neighborhood Parks, Rivers, and Coastal Protection Bond Act of 2016.

-3-**SB 317** 

Article 2. Definitions

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- 5880.5. As used in this chapter, the following terms have the following meanings:
- (a) "Acquisition" means the acquisition of a fee interest or any other interest in real property including easements, leases, and development rights.
  - (b) "Board" means the Wildlife Conservation Board.
- (c) "Department" means the Department of Parks and Recreation.
- (d) "Development" includes, but is not limited to, the physical improvement of real property, including the construction of facilities or structures.
- (e) "Disadvantaged community" means a community with a median household income less than 80 percent of the statewide
- (f) "Greenprint" means a plan for providing parks, greenspace, and urban forestry within an urbanized area to enhance climate resilience, improve public health and living conditions, and or protect open-space lands around a developed area to support an adopted sustainable communities strategy.
- (g) "Interpretation" includes, but is not limited to, a visitor serving amenity that enhances the ability to understand and appreciate the significance and value of natural, historical, and cultural resources and that may utilize educational materials in multiple languages, digital information, and the expertise of a naturalist or other specialist skilled at educational interpretation.
- (h) "Nonprofit organization" means an organization qualified to do business in California and qualified under Section 501(c)(3) of the Internal Revenue Code.
- (i) "Preservation" means rehabilitation, stabilization, restoration, development, and reconstruction, or any combination of those activities.
- (i) "Protection" means those actions necessary to prevent harm or damage to persons, property, or natural resources natural, cultural, and historic resources, actions to improve access to public open-space areas, or actions to allow the continued use and enjoyment of property or natural natural, cultural, and historic resources, and includes acquisition, development, restoration, preservation, and interpretation.

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SB 317 —4—

(k) "Restoration" means the improvement of physical structures or facilities and, in the case of natural systems and landscape features, includes, but is not limited to, projects for the control of erosion, the control and elimination of exotic species, *removal of waste and debris*, prescribed burning, fuel hazard reduction, fencing out threats to existing or restored natural resources, road elimination, and other plant and wildlife habitat improvements to increase the natural system value of the property.

### Article 3. General Provisions

- 5881. The proceeds of bonds issued and sold pursuant to this chapter shall be deposited in the Safe Neighborhood Parks, Rivers, and Coastal Protection Fund of 2016, which is hereby created in the State Treasury. Except as specifically provided in this chapter, moneys in the fund shall be available for appropriation by the Legislature in the manner and for the purposes set forth in this chapter in accordance with the following schedule:
- (a) The sum of one billion four hundred fifty million dollars (\$1,450,000,000) for parks in accordance with Article 4 (commencing with Section 5882).
- (b) The sum of three hundred seventy million dollars (\$370,000,000) for rivers, lakes, and streams in accordance with Article 5 (commencing with Section 5883).
- (c) The sum of three hundred fifty million dollars (\$350,000,000) for coast and ocean protection in accordance with Article 6 (commencing with Section 5884).
- (d) The sum of two hundred eighty million dollars (\$280,000,000) for climate resilience in accordance with Article 7 (commencing with Section 5885).
- 5881.5. (a) Projects funded with proceeds of bonds issued and sold pursuant to this chapter shall promote state planning priorities consistent with Section 65041.1 of the Government Code and sustainable communities strategies consistent with subparagraph (B) of paragraph (2) of subdivision (b) of Section 65080 of the Government Code.
- (b) To the extent feasible in implementing this chapter, state agencies shall seek to achieve wildlife conservation objectives through projects on public lands or voluntary projects on private lands. Funds may be used, in consultation with the Department of

\_5\_ SB 317

Fish and Wildlife, for payments for the creation of measurable habitat improvements or other improvements to the condition of endangered or threatened species including through the development and implementation of habitat credit exchanges.

- (c) In evaluating projects for protection of natural resources and wildlife, priority shall be given to projects that implement adopted natural community conservation plans or endangered species recovery plans.
- (d) Restoration projects shall include the planning, monitoring, and reporting necessary to ensure successful implementation of the project objectives.

5881.6. An amount that equals not more than 5 percent of the funds allocated for a grant program pursuant to this chapter may be used to pay the administrative costs of that program.

5881.7. Unless otherwise specified, up to 10 percent of funds allocated for each program funded by this chapter may be expended for planning and monitoring necessary for the successful design, selection, and implementation of the projects authorized under that program. This section shall not otherwise restrict funds ordinarily used by an agency for "preliminary plans," "working drawings," and "construction" as defined in the annual Budget Act for a capital outlay project or grant project.

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# Article 4. Parks

- 5882. The sum of eight hundred million dollars (\$800,000,000) from the fund shall be available to the department for the creation and expansion of safe neighborhood parks in park-poor neighborhoods in accordance with Chapter 3.3 (commencing with Section 5640).
- 5882.5. The sum of two hundred million dollars (\$200,000,000) from the fund shall be available to the department for grants for local park rehabilitation and improvement to local governments on a per capita basis.
- 5882.6. The sum of two hundred million dollars (\$200,000,000) from the fund shall be available to the department for grants for the restoration, preservation preservation, and protection of regional parks and parklands, including state parks whose operation and management have been taken over by local or regional agencies, and other parks and parklands operated by regional park

SB 317 -6-

districts, counties, open-space districts, and open-space authorities, and parks and parklands operated through cooperative agreements or pursuant to joint power authorities that include state and local agencies.

5882.7. The sum of two hundred million dollars (\$200,000,000) from the fund shall be available to the department for restoration and preservation of existing state park facilities and units to preserve and increase public access and to protect natural natural, cultural, and historic resources.

5882.8. The sum of fifty million dollars (\$50,000,000) from the fund shall be available to the department for enterprise activities that increase revenue generation to support operations of the department.

Article 5. Rivers, Lakes, and Streams

5883. Funds allocated in this article shall be available for the protection and restoration of rivers, lakes, streams and associated watersheds of the state to safeguard sources of safe drinking water, to protect the fish and wildlife resources of the state, and to provide access to these resources to the people of California.

5883.5. The sum of one hundred million dollars (\$100,000,000) from the fund shall be available to the Natural Resources Agency for the restoration, protection, expansion and development of river parkways in accordance with Chapter 3.8 (commencing with Section 5750).

5883.6. The sum of one hundred million dollars (\$100,000,000) from the fund shall be available to the California Tahoe Conservancy Conservancy, established pursuant to Article 6 (commencing with Section 5096.351) of Chapter 1.692 Title 7.42 (commencing with Section 66905) of the Government Code, for the implementation implementation, and to further the goals and purposes, of the Lake Tahoe Environmental Improvement Program. Program, pursuant to Article 6 (commencing with Section 5096.351) of Chapter 1.692.

5883.7. The sum of one hundred million dollars (\$100,000,000) from the fund shall be available for protection and restoration projects, and for the development of river parkway projects on the Los Angeles River and its tributaries, pursuant to Division 22.8

\_\_7\_\_ SB 317

(commencing with Section 32600) and Division 23 (commencing with Section 33000).

5883.8. The sum of fifty million dollars (\$50,000,000) from the fund shall be available for deposit into the Salton Sea Restoration Fund, pursuant to Section 2932 of the Fish and Game Code, and for expenditures consistent with the requirements of that fund.

5883.9. The sum of twenty million dollars (\$20,000,000) from the fund shall be available for urban stream restoration pursuant to Section 7048 of the Water Code.

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### Article 6. Coast and Ocean Protection

5884. Funds allocated in this article shall be available for projects to protect and restore coastal watersheds, bays, marine estuaries, and nearshore ecosystems.

5884.1. The sum of three hundred million dollars (\$300,000,000) from the fund shall be available to the State Coastal Conservancy for the protection of beaches, bays, and coastal watershed resources including the protection of coastal agricultural resources pursuant to Section 31150 and projects to complete the California Coastal Trail pursuant to Section 31408.

5884.2. The sum of fifty million dollars (\$50,000,000) from the fund shall be available to the Santa Monica Mountains Conservancy for the protection of coastal watersheds of the Santa Monica Mountains.

## Article 7. Climate Resilience

 5885. Funds allocated in this article shall be available for projects that improve the climate resilience of urban areas and natural resources, provide for climate adaptation and reduce vulnerability to climate impacts of the state's water, forest, and agricultural resources, and improve the ability of natural systems to buffer the impacts of climate change.

5885.1. The sum of one hundred million dollars (\$100,000,000) from the fund shall be available to the Strategic Growth Council for grants to develop or implement a regional or local greenprint or climate adaptation plan, or update—or develop a climate adaptation element for a general plan, or add climate adaption to

SB 317 -8-

a general plan, and for the protection of agricultural and open-space resources that support adopted sustainable communities strategies.

5885.2. The sum of one hundred fifty million dollars (\$150,000,000) from the fund shall be available to the Wildlife Conservation Board for grants for the protection and expansion of wildlife corridors including projects to improve connectivity between habitat areas, for projects to improve climate adaptation and resilience of natural systems, and for projects to protect and improve existing open space corridors and trail linkages related to utility or transportation infrastructure that provide habitat connectivity and public access or trails.

5885.3. The sum of thirty million dollars (\$30,000,000) from the fund shall be available to the Department of Forestry and Fire Protection for grants pursuant to Chapter 2 (commencing with Section 4799.06) of Part 2.5 of Division 4. These grants shall complement existing urban forestry expenditures by covering areas not included for funding from the Greenhouse Gas Reduction Fund, established pursuant to Section 16428.8 of the Government Code.

## Article 8. Fiscal Provisions

5889. (a) Bonds in the total amount of two billion four hundred and fifty million dollars (\$2,450,000,000), or so much thereof as is necessary, not including the amount of any refunding bonds issued in accordance with Section 5895 may be issued and sold to provide a fund to be used for carrying out the purposes expressed in this chapter and to reimburse the General Obligation Bond Expense Revolving Fund pursuant to Section 16724.5 of the Government Code. The bonds, when sold, shall be and constitute a valid and binding obligation of the State of California, and the full faith and credit of the State of California is hereby pledged for the punctual payment of both principal of, and interest on, the bonds as the principal and interest become due and payable.

committee pursuant to this section. The bonds shall be sold upon the terms and conditions specified in a resolution to be adopted by the committee pursuant to Section 16731 of the Government

(b) The Treasurer shall sell the bonds authorized by the

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-9- SB 317

5889.5. The bonds authorized by this chapter shall be prepared, executed, issued, sold, paid, and redeemed as provided in the State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code), and all of the provisions of that law apply to the bonds and to this chapter and are hereby incorporated in this chapter as though set forth in full in this chapter, except subdivisions (a) and (b) of Section 16727 of the Government Code.

5890. (a) Solely for the purpose of authorizing the issuance and sale pursuant to the State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code) of the bonds authorized by this chapter, the Safe Neighborhood Parks, Rivers, and Coastal Protection Finance Committee is hereby created. For purposes of this chapter, the Safe Neighborhood Parks, Rivers, and Coastal Protection Finance Committee is "the committee" as that term is used in the State General Obligation Bond Law.

(b) The committee consists of the \_\_\_\_, \_\_\_, \_\_\_, and \_\_\_\_. Notwithstanding any other provision of law, any member may designate a representative to act as that member in his or her place for all purposes, as though the member were personally present.

- (c) The \_\_\_\_ shall serve as chairperson of the committee.
- (d) A majority of the committee may act for the committee.

5890.5. The committee shall determine whether or not it is necessary or desirable to issue bonds authorized pursuant to this chapter in order to carry out the actions specified in this chapter and, if so, the amount of bonds to be issued and sold. Successive issues of bonds may be authorized and sold to carry out those actions progressively, and it is not necessary that all of the bonds authorized to be issued be sold at any one time.

5891. For purposes of the State General Obligation Bond Law, "board," as defined in Section 16722 of the Government Code, means the

5891.5. There shall be collected each year and in the same manner and at the same time as other state revenue is collected, in addition to the ordinary revenues of the state, a sum in an amount required to pay the principal of, and interest on, the bonds each year. It is the duty of all officers charged by law with any duty in

SB 317 -10-

regard to the collection of the revenue to do and perform each and every act that is necessary to collect that additional sum.

5892. Notwithstanding Section 13340 of the Government Code, there is hereby appropriated from the General Fund in the State Treasury, for the purposes of this chapter, an amount that will equal the total of the following:

- (a) The sum annually necessary to pay the principal of, and interest on, bonds issued and sold pursuant to this chapter, as the principal and interest become due and payable.
- (b) The sum that is necessary to carry out the provisions of Section 5893.5, appropriated without regard to fiscal years.

5892.5. The board may request the Pooled Money Investment Board to make a loan from the Pooled Money Investment Account in accordance with Section 16312 of the Government Code for the purpose of carrying out this chapter less any amount withdrawn pursuant to Section 5893.5. The amount of the request shall not exceed the amount of the unsold bonds that the committee has, by resolution, authorized to be sold for the purpose of carrying out this chapter. The board shall execute those documents required by the Pooled Money Investment Board to obtain and repay the loan. Any amounts loaned shall be deposited in the fund to be allocated in accordance with this chapter.

5893. Notwithstanding any other provision of this chapter, or of the State General Obligation Bond Law, if the Treasurer sells bonds that include a bond counsel opinion to the effect that the interest on the bonds is excluded from gross income for federal tax purposes under designated conditions or is otherwise entitled to any federal tax advantage, the Treasurer may maintain separate accounts for the bond proceeds invested and for the investment earnings on those proceeds, and may use or direct the use of those proceeds or earnings to pay any rebate, penalty, or other payment required under federal law or take any other action with respect to the investment and use of those bond proceeds, as may be required or desirable under federal law in order to maintain the tax-exempt status of those bonds and to obtain any other advantage under federal law on behalf of the funds of this state.

5893.5. For the purposes of carrying out this chapter, the Director of Finance may authorize the withdrawal from the General Fund of an amount or amounts not to exceed the amount of the unsold bonds that have been authorized by the committee to be

-11- SB 317

sold for the purpose of carrying out this chapter less any amount borrowed pursuant to Section 5892.5. Any amounts withdrawn shall be deposited in the fund. Any money made available under this section shall be returned to the General Fund, with interest at the rate earned by the money in the Pooled Money Investment Account, from proceeds received from the sale of bonds for the purpose of carrying out this chapter.

5894. All money deposited in the fund that is derived from premium and accrued interest on bonds sold pursuant to this chapter shall be reserved in the fund and shall be available for transfer to the General Fund as a credit to expenditures for bond interest, except that amounts derived from premium may be reserved and used to pay the cost of bond issuance prior to any transfer to the General Fund.

5894.5. Pursuant to Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code, the cost of bond issuance shall be paid out of the bond proceeds, including premium, if any. To the extent the cost of bond issuance is not paid from premiums received from the sale of bonds, these costs shall be shared proportionately by each program funded through this chapter by the applicable bond sale.

5895. The bonds issued and sold pursuant to this chapter may be refunded in accordance with Article 6 (commencing with Section 16780) of Chapter 4 of Part 3 of Division 4 of Title 2 of the Government Code, which is a part of the State General Obligation Bond Law. Approval by the voters of the state for the issuance of the bonds under this chapter shall include approval of the issuance of any bonds issued to refund any bonds originally issued under this chapter or any previously issued refunding bonds.

5895.5. The proceeds from the sale of bonds authorized by this chapter are not "proceeds of taxes" as that term is used in Article XIII B of the California Constitution, and the disbursement of these proceeds is not subject to the limitations imposed by that article.

SEC. 3. Section 2 of this act shall take effect upon the approval by the voters of the Safe Neighborhood Parks, Rivers, and Coastal Protection Bond Act of 2016, as set forth in that section, which shall be submitted to the voters at the November 8, 2016, statewide general election.

SB 317 — 12 —

SEC. 4. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to ensure that the Safe Neighborhood Parks, Rivers, and Coastal Protection Bond Act of 2016 appears on the November 8, 2016 statewide general election ballot, it is necessary that this act take effect immediately.